



# DEPARTMENT OF CONSERVATION

## DIVISION OF RECYCLING

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### IMPORTANT NOTICE

**To: Certified Recyclers**

**Subject: AB 3056 Recycling Incentive Payment Program Guidelines**

The Recycling Incentive Payment was developed to provide an incentive, if certain criteria are met, to certified recycling centers or drop-off or collection programs that increase their volume of empty beverage containers accepted or collected directly from consumers.

No additional paperwork is required to be submitted by the recycler. The Department of Conservation (DOC) will use internal information to determine if the operational requirements have been met, and data from the DR-6 shipping report, to determine proper reporting procedures and volume eligibility.

It is recommended that recycling centers not overlap receipt and log dates at the end of the baseline or collection periods. A DR-6 shipping report should be completed for each material type to cover periods ending on June 30 or December 31 of each year.

**Baseline period:** a six-month period during which containers are collected and a total volume of containers is determined. A baseline period is January 1 through June 30 or July 1 through December 31 of each year.

**Collection period:** the six-month period of the year that corresponds to the same six-months in the prior year baseline period. This is the period during which the number of eligible containers is determined.

**Payment period:** the six-month period following the collection period. During this period the DOC determines the number of eligible recycling centers and calculates their eligible volumes. The DOC will make payments within six months after the collection period has ended.

**Eligible beverage containers:** empty beverage containers accepted or collected directly from consumers during the collection period that exceed the number of empty beverage containers collected during the baseline period.

How much money is available per year?

- Up to \$10 million annually with a maximum of one cent per eligible container.

Who is eligible?

- Recycling centers and drop-off or collection programs that are certified, operational and using reporting procedures that are in compliance with the Act and regulations and that meet the eligibility criteria specified in tables 1, 2 and 3 of this notice.

When is the start of each period?

- A baseline period and its corresponding collection period start on either January 1 or July 1.

When will payment be made?

- Payment will be made no later than June 30 for each collection period of July 1 to December 31 of the previous year. Payment will be made not later than December 31 for each collection period of January 1 to June 30 of the same year. -

How does an eligible recycling center or drop-off or collection program qualify for a recycling incentive payment?

- For the 2007 collection periods, the number of empty beverage containers accepted or collected by the recycling center or drop-off or collection program, must be at least 6.5% more than the number of containers accepted or collected in the corresponding baseline period. See table 1.
- For the 2008 and 2009 collection periods, the number of empty beverage containers accepted or collected by the recycling center or drop-off or collection program must be at least 5% more than the number of empty beverage containers accepted or collected in the corresponding baseline period. See tables 2 and 3.

Example 1:

A certified recycler became operational on October 1, 2004, and has reported volumes properly through the DR-6 shipping report. The period of January 1, 2006 through June 30, 2006, would be used to determine the recycler's first baseline volume. January 1, 2007, through June 30, 2007, would be the first collection period. If the recycler's volume increased by 6.5% or more in the collection period, then payment would be made on the volume increase. See table 1.

- If a recycler collected 500,000 containers during the baseline period:
  - The recycler must purchase or collect at least 532,500 containers (a 6.5% increase) from consumers in the corresponding collection period in 2007 (01-01-2007 to 6-30-2007) to receive the recycling incentive payment.
  - Payment would be made on all the containers over the 500,000 baseline. The maximum amount that may be paid per container is one cent.
  - Payment would be made on the eligible volume in this example no later than December 31, 2007.

Example 2:

A certified recycler became operational on October 1, 2006, and reports volumes properly using the DR-6 shipping report. That recycler must remain operational throughout 2007 and 2008. It would be eligible for its first collection period starting on January 1, 2009. This recycler's first baseline volume period would be January 1, 2008 through June 30, 2008. During the collection period, this recycler must increase its volume by at least 5% over the baseline period in order to receive the incentive payment. See table 3.

- Payment for this recycler would be made on the eligible volume in this example no later than December 31, 2009.

Sincerely,

Chuck Seidler  
Acting Assistant Director  
For Recycling

See Attachment

# RECYCLING INCENTIVE PAYMENT CALENDAR

## TABLE 1 CALENDAR YEAR 2007

Certified/Operational/Reporting Period	Baseline Period (Volumes must be properly reported to the DOC)	Collection Period (Volumes must be properly reported to the DOC)	Percentage Increase	Payment Period
Must be certified, operational, and using proper reporting procedures prior to July 1, 2005	January 1, 2006 through June 30, 2006	January 1, 2007 through June 30, 2007	At least 6.5%	Payment made prior to December 31, 2007 on all eligible containers that exceed the baseline volume
Must be certified, operational, and using proper reporting procedures for at least 2 years prior to the collection period (on or before July 1, 2005)	July 1, 2006 through December 31, 2006	July 1, 2007 through December 31, 2007	At least 6.5%	Payment made prior to June 30, 2008 on all eligible containers that exceed the baseline volume

## TABLE 2 CALENDAR YEAR 2008

Certified/Operational/Reporting Period	Baseline Period (Volumes must be properly reported to the DOC)	Collection Period (Volumes must be properly reported to the DOC)	Percentage Increase	Payment Period
Must be certified, operational, and using proper reporting procedures for at least 2 years prior to the collection period (on or before January 1, 2006)	January 1, 2007 through June 30, 2007	January 1, 2008 through June 30, 2008	At least 5%	Payment made prior to December 31, 2008 on all eligible containers that exceed the baseline volume
Must be certified, operational, and using proper reporting procedures for at least 2 years prior to the collection period (on or before July 1, 2006)	July 1, 2007 through December 31, 2007	July 1, 2008 through December 31, 2008	At least 5%	Payment made prior to June 30, 2009 on all eligible containers that exceed the baseline volume

## TABLE 3 CALENDAR YEAR 2009

Certified/Operational/Reporting Period	Baseline Period (Volumes must be properly reported to the DOC)	Collection Period (Volumes must be properly reported to the DOC)	Percentage Increase	Payment Period
Must be certified, operational, and using proper reporting procedures for at least 2 years prior to the collection period (on or before January 1, 2007)	January 1, 2008 through June 30, 2008	January 1, 2009 through June 30, 2009	At least 5%	Payment made prior to December 31, 2009 on all eligible containers that exceed the baseline volume
Must be certified, operational, and using proper reporting procedures for at least 2 years prior to the collection period (on or before July 1, 2007)	July 1, 2008 through December 31, 2008	July 1, 2009 through December 31, 2009	At least 5%	Payment made prior to June 30, 2010 on all eligible containers that exceed the baseline volume